Kennecott Utah Copper P.O. Box 525 Bingham Canyon, Utah 84006-0525 (801) 569-6555

Michael H. Gibson

Director, Environmental Affairs

Kennecott

April 6, 1990



DIVISION OF OIL, GAS & MINING

Mr. Lowell Braxton Associate Director State of Utah Department of Natural Resources Division of Oil, Gas & Mining 3 Triad Center, Suite 350 Salt Lake City, UT 84180-1203

Subject: <u>Kennecott Copperton Concentrator Fourth Mill Line</u>

Expansion -- Amended NOI, Reclamation Contract and

Letter of Credit

Dear Mr. Braxton:

Kennecott Utah Copper Corporation (KUC) submitted a Notice of Intention (NOI) to amend mining operations to the Utah Division of Oil, Gas and Mining (DOGM) on February 9, 1990 to cover the proposed expansion of the Copperton concentrator. Subsequently, on March 23, 1990, revisions were made to the NOI based upon discussions with your staff regarding topsoil for final reclamation. Further discussions on this issue with your staff have required additional revisions to page 10 and Table 3 (reclamation cost estimate) of the NOI document. The reclamation cost estimate has been increased from \$4,580,000 to \$5,017,000. Please find attached two copies of the revised pages which should replace the corresponding pages in your copies of the NOI document.

Also, please find attached the reclamation contract which has attached to it as exhibit B the letter of credit in the amount of \$5,017,000. KUC understands that with the submittal of these items to DOGM, this matter can now be included on the agenda to be considered before the Board at the meeting scheduled for April 26, 1990.

Mr. Lowell Braxton April 6, 1990 Page 2

Thank you very much for your attention to this matter. If you have any questions or require any additional information, please do not hesitate to call.

Sincerely,

Michael H. Gibson

Director, Environmental Affairs

MHG:bt

cc: Wayne Hedberg, DOGM

Holland Sheppard, DOGM